



Captain Kerry G. Duke
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7 May 2003

Captain D. Ellis
Commanding Officer
Marine Safety Office Puget Sound
1519 Alaskan Way S., Bldg 1
Seattle, WA

Re: Empress of the North Manning Requirements

Dear Captain Ellis,

I request amendment of the proposed manning standards prescribed by your office that presently require unlimited STCW licenses for the 298 US GRT, 6,300 ITC passenger vessel, the "Empress of the North", that will be operating on the Colombia, Snake and Willamette Rivers, Pacific Coast to Puget Sound near shore and the Inside Passage from Puget Sound, through British Columbia to Alaska.

While the Empress of the North carries an ITC tonnage rating of 6,300 she is considered a small passenger vessel with a passenger capacity of 235. Her Certificate of Inspection issued by your office will require her to stay within 20nm of a port of safe refuge and in seas less than 15 feet. She will run from Seattle to Juneau on Inland Waters during her British Columbia/Alaska operating season, which consists of four 11 day voyages from 12 August 2003 to 19 September 2003.

Your office will be issuing the Certificate of Inspection upon the vessel's completion this summer. I understand the unlimited STCW licenses were initially prescribed for manning the vessel as it will transit through Canadian waters, and therefore technically be on an "international voyage" that normally requires the application of STCW. I request your office permit the vessel to be manned in accordance with the provisions of the Coast



Guard/Transport Canada Memorandum of Understanding, with the crew holding domestic licenses and receiving appropriate STCW training to meet the spirit and the intent of this maritime treaty.

We have a shared commitment with the Coast Guard and Transport Canada to ensure the safe operation of our vessel. To this end we sought the assistance of Captain Ed Page, USCG Retired, to aid us in developing a manning standard that ensured the Empress of the North was operated by mariners best qualified to operate this vessel on these waters. We believe requiring the vessel be manned with crews holding unlimited licenses does not provide us with mariners with experience or familiarity operating a vessel of this size in the confined waters in which we will be operating in. We refer to the 17th Coast Guard District's Alaska Small Passenger Vessel Task Force Report on Improving Safety of Small Passenger Vessel Operations in Alaska 12 April 2000 that made the following findings and recommendations that we find are applicable to our operation in Alaska and also apply to British Columbia and the other confined waters the vessel will be navigating. The Coast Guard report stated:

"In operating vessels in Southeast Alaska (and British Columbia) waters "Situational Awareness" includes, but is not limited to, mariners' knowledge of weather, water depth, tides and currents, communications capability, other vessel traffic, calving glaciers, presence of icebergs, the vessel's position and the operating restrictions and capability of the vessel. Awareness of these factors allows a mariner to make informed decisions minimizing the risk of accidents and ensuring an effective response in the event of a casualty."

"The small passenger vessel industry should ensure their crews are familiar with the vessels they sail on as well as the waters upon which they operate."

In addition to the above, our review of the above mentioned Memorandum of Understanding (MOU) between the U.S. Coast Guard and Transport Canada dated December 2002 indicates domestic license requirements are acceptable for our voyages to Canada. The salient sections of this MOU, followed by our comments, are as follows:

"Article I : This MOU provides a bilateral understanding that will allow US or Canadian flag vessels to trade between each respective nation with the minimum of economic hardship."

The present prescribed manning will require the 298 GRT Empress of the North that will sail near coastal and primarily on inside, confined waters, have the same unlimited licenses as a 110,000 GT vessel that sails offshore and around the world, because it transits Canadian waters. This manning will result in an economic hardship that makes it difficult for a U.S. small passenger fleet operator to compete with foreign vessels, even when operating on U.S. waters. The subject MOU was to prevent the application of STCW to Canadian/U.S. transits from having such negative economic impacts.

"Article IV: This MOU will have a positive effect on the mutual marine trading patterns developed between interests without compromise to maritime safety."

To require unlimited licenses if this 298 GRT vessel sails in Canadian waters will lead to a modification of the sailing schedule that will bypass Canadian ports and waters so as to allow the vessel to sail with 500 GRT licensed personnel. This situation will negatively impact trade with Canada, which the MOU was developed to prevent.

With respect to maritime safety, we submit U.S. Coast Guard 1,600 and 500 ton licensed personnel with experience sailing similar size passenger vessels on confined waters i.e. Snake, Willamette and Colombia River, and the Inside Passage, and that have obtained the applicable STCW training, are the best qualified for ensuring the safe operation of this vessel on this route and service

Captain Page consulted with Captain Fink, Commanding Officer of the Marine Safety Center on this matter regarding application of this MOU to the manning of the Empress of the North and received the following favorable response from him in an e-mail dated 5 May 2003:

"In view of our recent MOU with Canada, and the fact that Canada will not require the vessel to be crewed with personnel holding certificates that meet STCW standards and will accept crewing to standards for U.S. vessels in domestic operation, your proposal for traversing the Inside Passage with deck officers on the M/V Empress of the North holding licenses valid for service on vessels of not more than 1,600 GRT is acceptable to the National Maritime Center from a purely licensing/STCW standpoint".

Captain Fink added:

"As you know, the OCMi who issues the vessel's certificate of inspection is responsible for establishing the specific manning requirements, and may decide to require the deck officers to hold a superior license for reasons not known to the NMC".

Additionally, my contact with Transport Canada on this issue led to the following response from Captain Yeung, Manager, Compliance & Enforcement, Transport Canada, Marine Safety in an e-mail dated 2 May 2003:.

"This is to confirm that the TCMS/USCG agreed policy stated that vessels trading between the United States and Canada will abide by the legislation for domestic (home-trade) voyages, of the nation in which they are registered while engaged in cross border trade between the United States and Canada. Consequently, Transport Canada would accept the manning and seafarers certification on board the M.V. Empress of the North as approved by the USCG while the vessel is operating in Canada water".

In light of the above we are requesting the licenses acceptable for domestic trade be applied to the manning of the Empress of the North. In the interests of ensuring maritime safety, we will exceed the basic manning requirements for domestic trade as follows:

- (1) Ship's Master, 1600 ton Near Coastal
- (1) Chief Mate, 1,600 ton Near Coastal
- (1) Second Mate, 500 ton Near Coastal
- (1) Third Mate, 500 ton Near Coastal

500ton Near Coastal tickets for the Mates will allow a system for deck officers from our other sternwheeler vessel, the Queen of the West, to move over to the Empress and with added sea time on the Empress they would be qualified to sit for their 1600 GRT license. This will allow American West Steamboat Company to promote from within the organization (when practical) ensuring a pool of experienced and qualified, sternwheeler operators are available. Sternwheeler operation requires a skills set that is unique and virtually nonexistent among today's maritime professionals.

The Captain and the Mates will all carry full STCW '95 endorsements, including ARPA, GMDSS, Bridge Resource Management, and Crowd and Crisis training.

(10) Deckhands with STCW Basic Safety Training (BST) and Crowd and Crisis Training. All deckhands performing look out duties will be required to complete Ratings Forming a Part of a Navigational Watch (RFPNW).

- (1) Chief Engineer Limited 6,000HP STCW
- (1) Assistant Engineer Limited 6,000HP STCW
- (3) QMED STCW

All Engineers will be required to complete STCW requirements for Ratings Forming a Part of an Engineering Watch (RFPEW) as they relate to the Empress of the North.

In addition to the above, the vessel will carry, at least the minimum number of crew required to be trained in STCW Fast Rescue Craft. We will initially be training 12 crew, although the minimum number is 4.

All crew members will also receive vessel STCW Familiarization Training and Security Awareness Training. Crew with specific security responsibilities will undergo job specific training as per NVIC 4-02, ISPS Code and the Maritime Transportation and Security Act of 2002. All crew with Station Bill safety duties will undergo STCW Basic Safety Training as well as Crowd and Crisis Training.

The above manning far exceeds USCG requirements for manning a 298grt vessel on Domestic Inland Waters as well as the US/Canadian MOU. Additionally, we have established a comprehensive Safety Management System meeting the requirements of the ISM Code.

In light of the above we respectfully request approval of the above manning proposal for the Empress of the North.

Sincerely,



Captain Kerry G. Duke
Marine Safety Manager
American West Steamboat Company

Copy to: Captain M. Boothe, Chief Marine Safety, 13th Coast Guard District
Captain J. Davin, Chief Marine Safety, 17th Coast Guard District
Captain P. Jewell, Officer in Charge of Marine Inspection, Portland, OR
Commander S. Ohnstad, Officer in Charge of Marine Inspection, Juneau, AK